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01-09-08
10:32 AM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of San Diego Gas & Electric Company (U 902 E) for a Certificate of Public Convenience and Necessity for the Sunrise Powerlink Transmission Project.

Application 06-08-010
(Filed August 4, 2006)

**ADMINISTRATIVE LAW JUDGE'S RULING
GRANTING UCAN'S MOTION TO COMPEL ADDITIONAL SDG&E
TESTIMONY RELATING TO WILDFIRES IN PHASE 2 OF THE PROCEEDING**

In a motion initially dated November 8, 2007, the Utility Consumers' Action Network (UCAN) asked the Commission to direct the San Diego Gas & Electric Company (SDG&E) to file additional Phase 2 testimony related to the recent firestorms in the San Diego area. UCAN asked that the additional testimony address the following:

1. The cost of supplemental steps to be taken by SDG&E to mitigate future transmission-caused and substation/transformer-caused wildfires in the planned route;
2. The impacts of the wildfires on transmission-related insurance costs and transmission-related Operation & Maintenance costs;
3. The real and potential financial liabilities to which SDG&E (and its customers) will be exposed to by the October 2007 wildfires and other future SDG&E-caused wildfires;
4. The need to consider alternate routes as a result of the fires and the costs of those alternate routes and alternative means of construction (e.g., undergrounding additional segments of the line);

5. The operational responses to the loss of major transmission links;
6. The costs related to the loss of major transmission links during that week;
7. The costs (in both dollars and SAIDI/SAIFI terms) of the firm load dropped on 10/22/07 because of Barre-Ellis line overloads, as reported at <http://www.wecc.biz/documents/daily/2007/Oct/20071023REVISED.pdf>, and measures that could be taken to avoid future Barre-Ellis overloads;
8. The extent to which SDG&E obtained reliability support from CFE (Baja California) over the Tijuana-Otay Mesa intertie between SDG&E and Mexico, the terms and conditions associated with that support, and the consequences for the SDG&E system if that support had not been forthcoming;
9. The duration of simultaneous fire-caused outages of both the Southwest Powerlink and existing transmission lines in/near the proposed route(s) for the Sunrise project; and
10. The duration of any simultaneous fire-caused outages of both SWPL and existing transmission lines which are part of either Path 44 (the five 230 kV lines south of the San Onofre Nuclear Generating Station (SONGS)) or Path 43 (the four 230 kV lines north of SONGS).

The Mussey Grade Road Alliance and the Center for Biological Diversity both support the motion. SDG&E asks for the motion to be denied because it feels it should not be compelled to provide evidence of any sort. As the party bearing the burden of proof, SDG&E argues that it ought to be allowed to provide whatever evidence it wants, concerning fires, and that if its evidence is not persuasive, the application would be denied. SDG&E does not address the specific questions proposed by UCAN. At the same time, SDG&E declares its

compelling interest in addressing the wildfire issue and asserts that it would have done so in Phase 1 but for my ruling striking portions of its testimony.

To avoid any unnecessary confusion, here is what I said about the matter in response to an earlier motion to strike portions of Mr. Mortier's testimony related to wildfires:

"Mr. Mortier's testimony in its entirety is absolutely relevant to the proceeding and would have been legitimate testimony if it was provided as direct instead of rebuttal. And I'd anticipate, I'm assuming that it's relatively likely that there will be a phase 2 of the proceeding, and certainly the company would be free to offer testimony of that nature in phase 2 as it would have been free to offer it in phase 1.

"The problem at this point is that by presenting what appears to be a new argument in rebuttal testimony, there's no opportunity for Mr. Mitchell or Ms. Conklin or anybody else to respond to it adequately. And for those reasons, I'm striking the portions that do not appear to be legitimate rebuttal."¹

Consistent with this earlier ruling, SDG&E can, and indeed must, provide testimony as part of its Phase 2 direct showing addressing wildfire issues. SDG&E's assertion that as the entity bearing the burden of proof, it alone should decide what information it will present on the subject does not accurately reflect the Commission's responsibilities in this regard. SDG&E does have the burden of proof. However, whether or not SDG&E wants to do so, the Commission has an obligation to develop a record that fully explores the safety and cost implications of constructing and operating lines in areas of high fire risk. While I will not limit SDG&E's testimony to the subjects set forth in UCAN's motion, I

¹ Transcript, 985 line 15 to 986 line 1.

will require that the company fully address each of the questions asked by UCAN.

In addition, SDG&E shall address the following questions:

11. The impact that the recent fires likely would have had on the condition and operation of the Sunrise line if it had been constructed along the proposed route, or any of the major alternative routes developed in the draft Environmental Impact Report.
12. The comparative reliability during a period of wildfire similar to that experienced this past October of generation close to the load center of the type identified as the superior environmental alternative as opposed to the proposed or alternative transmission options.

IT IS RULED that:

1. Utility Consumers' Action Network's (UCAN) Motion to Compel Additional Testimony is granted.
2. San Diego Gas & Electric Company (SDG&E) shall provide comprehensive direct testimony on issues related to wildfire which, at a minimum, shall fully address the questions set forth in UCAN's motion and the two other questions included in the body of this ruling.
3. SDG&E shall serve the testimony described in Paragraph 2, above, no later than March 12, 2008 (the date by which all parties must serve direct testimony).

Dated January 9, 2008, at San Francisco, California.

/s/ STEVEN A. WEISSMAN

Steven A. Weissman
Administrative Law Judge

INFORMATION REGARDING SERVICE

I have provided notification of filing to the electronic mail addresses on the attached service list.

Upon confirmation of this document's acceptance for filing, I will cause a hard copy of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the hard copy of the filed document is current as of today's date.

Dated January 9, 2008, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid